VZCZCXRO6481 PP RUEHFK RUEHKSO RUEHNAG RUEHNH DE RUEHKO #3487 2120519 ZNR UUUUU ZZH P 310519Z JUL 07 FM AMEMBASSY TOKYO TO RUEHC/SECSTATE WASHDC PRIORITY 5976 RUEKJCS/SECDEF WASHDC PRIORITY RUCPDOC/USDOC WASHDC PRIORITY RUEATRS/DEPT OF TREASURY WASHINGTON DC PRIORITY RUYNAAC/COMNAVFORJAPAN YOKOSUKA JA PRIORITY RHHMUNA/HQ USPACOM HONOLULU HI PRIORITY RHHMHBA/COMPACFLT PEARL HARBOR HI//N541// PRIORITY RHMFIUU/HQ PACAF HICKAM AFB HI//CC/PA// PRIORITY RUHBANB/OKINAWA FLD OFC US FORCES JAPAN CP BUTLER JA PRIORITY RUALSFJ/COMUSJAPAN YOKOTA AB JA PRIORITY INFO RUEHFK/AMCONSUL FUKUOKA 2306 RUEHNH/AMCONSUL NAHA 4734 RUEHNAG/AMCONSUL NAGOYA 1352 RUEHKSO/AMCONSUL SAPPORO 3080 RUEHOK/AMCONSUL OSAKA KOBE 5904 RUEHBJ/AMEMBASSY BEIJING 8116 RUEHMO/AMEMBASSY MOSCOW 1790 RUEHUL/AMEMBASSY SEOUL 4180 RUCNDT/USMISSION USUN NEW YORK 5203 RHEHAAA/NSC WASHDC

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STATE FOR I/RF, PA/PR/FPC/W, IIP/G/EA, EAP/PD, R/MR, EAP/J, EAP/P, PM; USTR FOR PUBLIC AFFAIRS OFFICE; TREASURY FOR OASIA/IMI; SECDEF FOR OASD/PA; CP BUTLER OKINAWA FOR AREA FIELD OFFICE; PACOM HONOLULU FOR PUBLIC DIPLOMACY ADVISOR

E.O. 12958: N/A
TAGS: <u>OIIP KMDR KPAO</u> <u>JA</u>
SUBJECT: TOKYO MEDIA REACTION - US MILITARY AID TO
MIDDLE EAST

LEAD STORIES: Most Tuesday morning papers front-paged Monday's press conference by Prime Minister Abe, during which he called for public understanding for his decision to hold on to power and expressed his readiness to consider another revision to the Political Funds Control Law in order to increase transparency in political expenses.

"US to Offer Large-Scale Military Aid to Middle East" Washington correspondent Hideo Kato of the business-oriented Nihon Keizai reported (7/31): "The USG will likely offer large-scale military aid to the pro-US Arab nations of Egypt and Saudi Arabia, as well as Israel. Washington has announced that military aid to Israel and Egypt over the coming 10 years will amount to about 43 billion USD, with decisions concerning similar aid to Saudi Arabia and other Gulf states being made this fall. These US military aid plans are intended to strengthen the militaries of the nations neighboring Iran. Military aid to Israel over the next 10 years will total about 30 billion USD, much larger than the 10-year, 24 billion USD package the Clinton administration agreed to in 1998. The USG is considering offering economic aid on top of the 13 billion USD military package it plans to give to Egypt. Under Secretary of State Burns will likely travel to the region next month and reach agreements on military aid with these countries.... Last autumn, the Bush administration began strengthening relations with moderate Arab states in order to isolate Hamas and Hezbollah, as well as their state sponsors, Iran and

Syria. A senior DOD official clarified that the US is offering military aid so as to deal with a possible strategic nuclear threat from Iran. It is inevitable that this military assistance will draw a strong backlash from Iran. Criticism is also likely to emerge over the large amount of aid to Egypt and Saudi Arabia, both of which have been criticized for human-rights violations and restrictions on religious freedom."

SCHIEFFER